AMENDED IN SENATE JUNE 19, 2012 AMENDED IN ASSEMBLY APRIL 24, 2012 AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2389

Introduced by Assembly Member Bonnie Lowenthal

February 24, 2012

An act to add Title 18 (commencing with Section 3273) to Part 4 of Division 3 of the Civil Code, relating to contractor disclosure requirements.

LEGISLATIVE COUNSEL'S DIGEST

AB 2389, as amended, Bonnie Lowenthal. Contractor disclosure requirements.

Existing law governs certain obligations arising from particular transactions, including credit card disclosures, consumer contracts, and consumer warranties.

This bill would prohibit a contractor, as defined, that provides services that require entering the residence or place of lodging of a member of the public from utilizing a uniform that bears the name or logo of the contracting entity, as defined, unless each uniform meets certain disclosure requirements. Among these requirements, the bill would require each of the contractor's uniforms to clearly, conspicuously, and legibly state that the contractor is providing services on behalf of the contracting entity, and the contractor's name. In addition to these requirements, the bill would further prohibit a contractor that provides the services described above relating to public health or safety services from—utilizing using a vehicle that bears the name or logo of the

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contracting entity unless each vehicle also meets the above requirements. The bill would also authorize the Director of Consumer Affairs to impose a fine of two hundred fifty (\$250) dollars per day for each violation of these provisions, in addition to any other rights or penalties available by law. The bill would specify that these provisions shall not apply if a contracting entity and a contractor are jointly and severally liable for any claims arising out of work performed pursuant to a contractual agreement.

The bill would state the intent of the Legislature to increase consumer awareness of the state's growing and sizeable contract workforce through the disclosures required by these provisions. The bill would make a specified statement of legislative intent regarding the disclosures required by these provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Title 18 (commencing with Section 3273) is added to Part 4 of Division 3 of the Civil Code, to read:

TITLE 18. CONTRACTOR DISCLOSURES

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- 3273. (a) It is the intent of the Legislature to increase consumer awareness of the state's sizeable and growing subcontracted workforce through the disclosures required by this section. The Legislature further finds and declares that the disclosures required by this section are communications in the interest of the public, in the interest of public safety, and are a matter of statewide concern.
 - (b) For purposes of this section:
- (1) "Contracting entity" means any person, business, or public entity that contracts with another person or business to provide services on its behalf.
- (2) "Contractor" means any person or business that contracts to provide services on behalf of a contracting entity.
- (3) "Public entity" means the state or any political subdivision thereof, including, but not limited to, a city, county, city and county, or special district.
- (c) A contractor that provides services that require entering the residence or place of lodging of a member of the public shall not

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utilize a uniform that bears the name or logo of the contracting entity, unless each of the contractor's uniforms meets the following requirements:

- (1) The uniform states that the contractor is providing services on behalf of the contracting entity.
 - (2) The uniform states the name of the contractor.

- (3) The uniform clearly displays the information described in paragraphs (1) and (2) in a conspicuous place, in sharp contrast to the background, and in such a way that the size, shape, and color is *are* readily visible.
- (d) In addition to the uniform disclosure requirements described in subdivision (c), a contractor that provides services described in subdivision (c) relating to public health and safety shall not utilize a vehicle that bears the name or logo of the contracting entity, unless each of the contractor's vehicles used by the contractor meets the following requirements:
- (1) The vehicle states that the contractor is providing services on behalf of the contracting entity.
 - (2) The vehicle states the name of the contractor.
- (3) The vehicle clearly displays the information described in paragraphs (1) and (2) in a conspicuous place, in sharp contrast to the background, and in such a way that the size, shape, and color is *are* readily visible.
- (e) If any person or business is found in violation of this section, the Director of Consumer Affairs may impose a fine of two hundred fifty (\$250) dollars per day per violation, in addition to any other rights or penalties available by law, until the vehicle or uniform is modified in conformance with the requirements of this section.
- (e) The requirements of this section shall not apply if a contracting entity and a contractor are jointly and severally liable for any claims arising out of work performed pursuant to a contractual agreement.